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U.S. Air Force Contracting



Turning Dollars & Desires into Dominant Aerospace Power!

Performance Based Services Acquisitions

AFCESA A-76 Workshop

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SAF/AQC
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Services Acquisition Overview



- **PBSA Philosophy**
- **PBSA Statistics**
- **New Legislation**
- **PEO for Services (PEO/SV)**
- **Toolkit (what's available)**
- **Summary**

PBSA IS EVERYONE'S RESPONSIBILITY



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Services Acquisition Philosophy



- Requirements described in terms of the outcome(s) or measured mission-related end results; not directing prescribed methods (how to accomplish the work)
- Performance determined by measurable standards (thresholds)
- Big shift in focus from “contracting” to “acquisition”-- comprehensive process - functional involvement essential to success, change PBSC to PBSA
- Encourages the use of commercial best practices and FAR Part 12 procedures - market research is essential
- Partnering--establishing a positive business relationship/alliance with contractors
- Use past performance and best value source selection



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USAF PBSA Statistics



- **FY01 - Air Force numbers**
 - **5,063 PBSA Actions (total AF available service acquisition actions = 27,143)**
 - **\$3B spent on PBSA contract actions (total available AF dollars spent on service acquisitions = \$10.6B)**
 - **19% of all available AF service contract actions were PBSA**
 - **32% of all available AF service acquisition dollars spent on PBSA**



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Services Acquisition New Legislation



- **National Defense Auth. Bill (FY02)
Signed by Pres. on 28 Dec 01**
- **Sections 801, 802, 803 and 823 affect
services acquisitions**



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Services Acquisition New Legislation



- **Section 801 Management of Procurement of Services**
 - **Subsection 2330, Management Structure**
 - Establishes formal requirement to oversee the procurement of services within DoD.
 - Comparable to procurement of products by DoD.
 - Military Services required to designate official to approve any procurement above thresholds.
 - Designee will collect and analyze data.
 - Responsible for contracts and task orders purchased within and outside of DoD.



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Services Acquisition New Legislation



- **Section 801 Management of Procurement of Services Con't**
 - **Subsection 2330a, Tracking of Purchases**
 - **Mandates data collection systems be established within DoD to provide management information.**
 - **Specific elements of data are prescribed in the law.**
 - **Mandates a program review structure “similar to the one developed for and applied to the procurement of weapon systems by the DoD.”**
 - **Comptroller General assess implementation of provisions within 90 days after publication of implementing guidance.**



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Services Acquisition New Legislation



■ Section 802 Savings Goals for Procurement of Services

- Savings objectives, for DoD, be achieved through:**
 - PBSA**
 - Increased competition among task orders**
 - Improved spending analyses, program reviews, and management of service contracts.**
- Savings Goals:**
 - 10% in total expenditures within 10 fiscal years**
 - Beginning in 2002.**
 - Baseline: 2000**



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Services Acquisition New Legislation



- **Section 803 Competition Requirement for Purchase of Services Pursuant to Multiple Award Contracts**
 - **Each individual purchase in excess of \$100k, under a multiple award contract be competed unless:**
 - **A CO waives the requirement under circumstance of Par. 1 - 4 of Section 2304c(b) of 10USC applies, for each purchase (FAR 16.505(b)), or**
 - **Statue requires purchase from specified source.**



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Services Acquisition New Legislation



- **Section 803 Competition Requirement for Purchase of Services Pursuant to Multiple Award Contracts Con't**
 - **Award can't be made unless:**
 - Notice provided to all contractors, offering such services, under multiple award, or
 - CO determines in writing, that no additional qualified contractors could be identified.



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Services Acquisition New Legislation



- **Section 823 One-year Extension of Program Applying Simplified Procedures to Certain Commercial Items**
 - **Extends statutory authorization to 1 Jan 03**
 - **Note: FAR coverage will be issued quickly, but in the meantime, SAF/AQC will pursue deviation to implement ASAP**



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Services Acquisition New Legislation



- **Section 836 Temporary Emergency Procurement Authority to Facilitate the Defense Against Terrorism or Biological or Chemical Attack**
 - **FY 2002 and 2003**
 - **Micropurchase threshold - \$15k**
 - **SAT, in support of contingency operation inside of US - \$250K/outside of US - \$500k**
 - **biotechnology property or service be treated as commercial items**



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Services Acquisition PEO SV Authority



- **Provide Centralized Focus on Services Acquisition**
- **All Efforts over \$100M in Total Value**
- **All A-76 Studies over 300 Slots**
- **Post Award as Important as Pre-Award**
- **Facilitates Performance Based Services Acquisition**
- **Apply Lessons Learned from across Multiple Experiences**
- **Same Authority as Other PEOs**



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Services Acquisition PEO SV Focus on A-76



- **Special Category of Services:**
 - **Traditional Base Operating Support Services**
 - **Aircraft Maintenance/Airfield Support Services**
- **Large, Complex Dynamic, Multi-functional Efforts**
 - **Requires Dedicated Expertise/Resources**
 - **Size/Process Increases Appeals/Protests**
 - **Resource Intensive**
 - **Government Jobs, Contractor Bid, and Proposal Costs at Stake**



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Services Acquisition PEO SV Issues



- **Is the MIS Adequate?**
- **Overseas Services**
 - **Status of Forces Agreements**
 - **International Labor Agreements**
 - **Treaties**
- **Implementation Instructions to the Field:**
 - **Letter for SECAF/CSAF Signature**
 - **AQ Delegations/Authorities**
 - **AFFARS Language/Coverage**
 - **“Rules of the Road”**
- **Review all AF AFIs versus PBSA Principles**
- **Review Common Services Acquisitions Within AF**
- **Evaluate Information Available to Field for Currency & Accuracy**



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Services Acquisition PEO SV Personnel



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Services Acquisition PEO SV Next Steps



- **Relocate to PEO SV workplace**
- **Resolve Previously Stated PEO SV Issues**
- **Delineate the PEO SV Portfolio**
 - **Exactly Define the Definition of Services**
 - **Analyze/Examine Services Acquisition Business Reinvention**
- **Brief/Inform the Field/Industry**
- **Finalize Services Metrics**



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Services Acquisition Contracting Toolkit



Services/PBSA website address:

www.safaq.hq.af.mil/contracting/toolkit/part37/

- PBSA policy, examples, and training**
- PBSA links**
 - AFSVA**
 - AFMIA**
 - AFCESA**
 - USD (AR)**



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Services Acquisition Summary



- **Philosophy - PBSA IS EVERYONE'S RESPONSIBILITY**
- **PBSA goals - 20 in 02, and 50 in 05.**
- **New Legislation - PEO for Svcs, OSD oversight, competition in Multiple Award contracts, extension of Cmcl purchases, defense against terrorism purchases**
- **PEO SV - Centralized focus, review efforts over \$100M in total value, A-76 - 300+ slots, PBSA!**
- **Toolkit - latest and greatest**
- **QUESTIONS???**